Food & Drink Regulations: County Hospitality Taxes

Richland County:
Business Service Center

Speaker Overview

- Pam Davis, Director of the Richland County Business Service Center
- 9 years working with Richland County,
  - four years in the Business Service Center
  - Initiated and implemented this office
  - Administer many business-related requirements
- Topic: Hospitality Taxes – what you need to know about selling prepared/modified foods and/or beverages

The "Quick and Dirty"

- <u>**Who**</u>: any person or business selling *prepared* or *modified foods* or *beverages*
- <u>**Why**</u>: revenues used to support and enhance tourism within Richland County
- <u>**Authority**</u>: SC 6-1-720 and RC 23-66
- <u>**Deadlines**</u>: 20th of each month
- <u>**Penalties**</u>: 5% per month (not compounded)
- <u>**If delinquent**</u>: no business license will be issued (also resulting in 5%/month penalties)

The Percent to be Charged

- If the business is located in, or does business in, the unincorporated areas of Richland County, the Hospitality Tax amount is 2%.

- If the business is located in, or does business in, the municipal limits of Irmo (Richland County portion only) or Eastover, the Hospitality Tax amount is 1%.

- If you are unsure exactly where your business is physically located, please go to www.rcgov.us/bsc and click "Find Your Business Locations."

Submitting Payments

- Businesses must submit <u>three</u> items for Hospitality Tax payments to be processed:

  1. a check for the proper amount, including fees and any applicable penalties, payable to Richland County
  2. a copy of the State Sales Tax return (or other document approved by the Business Service Center Director), and
  3. an original, *unaltered* voucher form for the appropriate month.

- Mail to: Richland County Hospitality Taxes, Box 11947, Columbia, SC 29211

Frequency of Payments

- Payment frequency is based on the gross income from prepared/modified foods/drinks.

Average Monthly *Gross* Revenue from Hospitality Taxed Items	Average Monthly Payment	Hospitality Tax Payment Frequency
More than $2,500	More than $50.00	Monthly
$1,250 - $2,500	$25.00 - $50.00	Quarterly
Less than $1,250	Less than $25.00	Annually

- Changes may only be requested at the end of every year.

Other Important Information

- Changes in location or ownership require a new Enrollment Form to be submitted.

- Businesses wanting paper vouchers for the next year, rather than using online vouchers, must <u>request</u> the Business Service Center to send the vouchers.

- Business licenses cannot be obtained if Hospitality Taxes are delinquent.

- Penalties cannot be waived.

- Audits are randomly conducted to ensure accurate revenue reporting.

Hospitality Tax <u>Grant Program</u>

- Hospitality Tax revenues are used for the dedicated purpose of improving services and facilities for tourists.
- Businesses in the tourist industry and at least one year old may apply for Hospitality Tax grant funds.
  - Must be 501(c)(3) status, <u>or</u>
  - Must be a Destination Marketing Organization.
- There are two grant application cycles each fiscal year. Deadlines are usually in February and August.
- Applications may be obtained online.

Online Resources

- http://www.rcgov.us and click *Hospitality Tax* from list at right
    - Personalized payment vouchers can be calculated online and printed.
    - Detailed Policies and Information regarding Hospitality Taxes are included here.
    - Information regarding the *Grant Program* is also included here.
    - Grant applications are also included here.

Contact Information

- General information:
  - Who: Business Service Center
  - Phone: 803-576-2287
  - Email: bsc@rcgov.us
- Payment information:
  - Who: Richland County Treasurer's Office
  - Phone: 803-576-2284
  - Email: hinnantg@rcgov.us

More Contact Information

- Grant Program information:
    - Who: Audrey Shifflett, Finance Department
    - Phone: 803-576-2199
    - Email: shiffletta@rcgov.us